



To the Management Team of McCormick & Company:

ISOS Group, Inc. [“ISOS” or “we”] were engaged by McCormick & Company [“Client” or “McCormick”] to conduct moderate level type 2 assurance of environmental data [“Reported Information”], covering the period beginning December 1, 2022 and ending November 30, 2023 [“FY23”].

We have performed our moderate assurance engagement in accordance with the AccountAbility 1000 Assurance Standard v3 (“AA1000AS”). Our review was limited to the Reported Information comprising of:

- Scope 1 emissions
- Scope 2 market-based emissions
- Scope 3 emissions
- Water withdrawals

We have not performed any procedures with respect to other sustainability-related information and, therefore, no conclusion on information outside of this scope of work is expressed.

McCormick’s responsibilities

The Company’s management are responsible for:

- Preparing the data in accordance with generally accepted reporting practices,
- The accuracy and completeness of the information reported,
- The design, implementation and maintenance of internal controls relevant to the preparation of the report to provide reasonable assurance that the report is free from material misstatement, whether due to fraud or error,
- Ensuring the data performance is fairly stated in accordance with the applicable criteria and for the content and statements contained therein.

Criteria

The assurance process was intended to provide an independent opinion confirming that the Client has complied with procedures for data management at the company and minimized degrees of error by adequately:

1. Sourcing utility, vendor and internal data to populate relevant data management systems,
2. Enforcing management and quality controls across the reporting period,
3. Aggregating and converting metrics into the correct unit of measure, and
4. Calculating greenhouse gas emissions.

Boundary

Organizational Boundary	McCormick & Company manufactures, markets, and distributes spices, seasoning mixes, condiments, and other flavoring products for the industrial, restaurant, institutional, and home markets, globally.
Assurance Boundary	McCormick & Company’s energy reporting boundary includes all manufacturing facilities with over 10 employees, all other locations with over 50 employees and all sites consuming over 350,000 kWh of electricity or 388,000 kWh of fuel per year. McCormick’s water reporting boundary is optional for facilities not within the energy reporting boundary and for distribution centers and offices that withdraw less than 500,000 gallons per year.
GHG Emissions Consolidation Approach	The GHG emissions boundary followed the operational control methodology specified in the GHG Protocol.

Limitations and Exclusions

Greenhouse gas quantification is unavoidably subject to inherent uncertainty because of both scientific and estimation uncertainty and for other non-financial performance information the precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

Several smaller scope 1 GHG emission sources (e.g., refrigerant releases) have been excluded from this review. Reviews pertaining to the completeness and capture of all utility meters at properties is limited to what is disclosed in data management systems. No visit to the Client’s headquarters or facilities was conducted throughout this engagement. However, a sample set of properties were reviewed in more granularity and tested for data accuracy. It was determined that these limitations and exclusions do not materially impact the performance criteria or assurance engagement.

Methodology

The assurance procedures undertaken were to determine the strength of the systems in place. ISOS Group:

- Engaged a sample of individuals responsible for performance measurement,
- Evaluated current management systems for performance data collection, compilation, calculation, reporting, and validation,
- Determined consistency of assessing materiality, management approach, and application of quality control procedures,
- Reviewed sustainability disclosures, supporting data, and justification for rectifying discrepancies,
- Validated alignment to standard reporting protocols to ensure accurate claims to the quantitative methodology and approach and assurance claims,
- To verify quantitative claims, both at the aggregate level and on a sample basis, and test accuracy, consistency, completeness, and reliability, ISOS Group:
 1. Conducted a portfolio assessment analyzing performance results to uncover any errors, misstatements, gaps, or performance anomalies,
 2. Brought all findings to the Client’s attention to address and confirmed resolution,
 3. Selected the following properties for testing and analysis, including cross-reference to source data to uncover variances and address any exclusions and other limitations:
 - a. McCormick Logistics Center, USA
 - b. McCASA, El Salvador
 - c. Shanghai, China

Findings

Based on the process and procedures conducted, there is no evidence that the Reported Information is not materially correct and provide a fair representation of the Client’s environmental impacts to stakeholders for the stated period and reporting boundary.

Application of the AA1000AP

Findings and conclusions concerning adherence to the AA1000 AccountAbility Principles:

Inclusivity	McCormick has identified its key stakeholder groups in its Purpose-led Performance (PLP) Report. Stakeholder engagement efforts encompass feedback from key groups. For future development, it is recommended that McCormick outline its mechanisms for stakeholder engagement by stakeholder group and identify its engagement outcomes.
Materiality	McCormick conducted a materiality assessment in 2021, which included engagement with over 1,000 consumers. The assessment identified 22 topics across three materiality tiers. More details are outlined in its 2021 PLP Report.
Responsiveness	McCormick has a dedicated space on website for sustainability-related information and publishes its GRI-referenced PLP. The PLP is aligned to several other leading standards and frameworks such as TCFD, SASB and the UN SDGs.
Impact	McCormick clearly outlines performance measurement through its 2025 Goals programming across three pillars: People, Communities, and Planet. In addition, McCormick has SBTi-validated emissions targets. These goals, and the up-to-date progress reporting, reflect the organization’s commitment to actively managing its impacts, positive and negative.

Observations and Recommendations

Observations and recommendations include:

- McCormick engages a broad team to support the update to its environmental performance. This effort requires ongoing training and internal review procedures. Further, this practice can lead to additional risks pertaining to data quality. Our review uncovered limited findings to this affect which were resolved and are deemed to be immaterial to the reported totals.
- McCormick updates its scope 3 emissions factors and integrates findings from newly commissioned LCAs, particularly those applied to purchased goods and services, as better supplier-specific data or as new and improved factors are available. This leads to further refinement and accuracy of the scope 3 inventory but may lead to changes in historical inventories if updated factors are applied. This is to be expected as McCormick improves its efforts.
- Scope 3 categories deemed immaterial are not updated on an annual basis. McCormick planned to update its complete scope 3 inventory in 2023 which has been delayed to 2024.
- In cases where primary data for capital goods in the reporting year was unavailable, McCormick scaled figures using a ratio of net sales from the reporting year when primary data was collected. This is deemed an acceptable method and does not appear to introduce uncertainty beyond expected limits.

Restriction of use

This assurance report is made solely to the Client in accordance with the terms of our engagement, which include agreed arrangements for disclosure. Our work has been undertaken so that we might state to the Client those matters we have been engaged to state in this moderate assurance report and for no other purpose. Our moderate assurance report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Client for any purpose or in any context. Any party other than the Client who obtains access to our moderate assurance report or a copy thereof and chooses to rely on our moderate assurance report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Client for our work, for this independent moderate assurance report, or for the conclusions we have reached.

Statement of Competency and Independence

ISOS Group is an independent professional services firm that specializes in sustainability reporting under the Global Resources Initiative (GRI), CDP, and GRESB and is a provider of external assurance services. ISOS Group is a Global Reporting Initiative Certified Training Partner for the United States and a CDP Silver Education and Training Partner in the United States. Our team of experts have the technical expertise and competency to conduct assurance to the AA1000 assurance standard, which meets the criteria for assurance of environmental data.

No member of the assurance team has a business relationship with the Client, its Directors, or Managers beyond that required of this assignment. We conducted this assurance independently and, to our knowledge, there has been no conflict of interest. ISOS Group has a strong code of ethics and maintains high ethical standards among its staff in their day-to-day business activities. The assurance team has extensive experience in conducting assurance engagements over environmental, social, ethical, and health and safety information systems and processes.

Further information, including a statement of competencies, can be found at www.isosgroup.com.

Signed on behalf of ISOS Group: San Diego, California – USA, August 20, 2024.



Brian Noveck
CSAP Practitioner



AA1000
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